

**MINUTES OF LAYTON CITY
COUNCIL WORK MEETING**

MARCH 21, 2013; 5:34 P.M.

**MAYOR AND COUNCILMEMBERS
PRESENT:**

**MAYOR J. STEPHEN CURTIS, MICHAEL
BOUWHUIS, JOYCE BROWN, JORY FRANCIS
AND SCOTT FREITAG**

ABSENT:

BARRY FLITTON

STAFF PRESENT:

**ALEX JENSEN, GARY CRANE, TRACY
PROBERT, JAMES (WOODY) WOODRUFF AND
THIEDA WELLMAN**

The meeting was held in the Council Conference Room of the Layton City Center.

Mayor Curtis opened the meeting and turned the time over to Alex Jensen, City Manager.

AGENDA:

BUDGET DISCUSSION

Alex said Tracy Probert, Finance Director, had prepared budget information for the 2013/2014 fund year for the next couple of meetings and would move through the information as quickly as possible; maybe there wouldn't be a need for the meeting on the 28th.

Tracy reviewed general fund budget projections for the 2013/14 budget year. He indicated that \$450,000 had been budgeted for merit increases; \$50,000 for salary adjustments; \$114,686 for new personnel; 4.3 million in operations; \$586,695 for capital equipment; \$475,000 for transfer to the pool fund; \$29,500 for transfer to the victim services fund; and 2.1 million for the UTOPIA debt service for a total budget of \$28,768,489. Tracy said this was a little over 1 million in excess of budgeted revenues. He indicated that unassigned fund balance would be used to balance the general fund budget. Tracy said the budgeted fund balance at the end of 2013/14 year was \$4,989,647 or 14.76%, which was well above the 5% minimum.

Tracy reviewed special revenue funds. He indicated that the victim services fund grant would be approximately \$5,000 less than the previous year and the City would need to kick in an additional \$5,000. Tracy said the alcohol enforcement fund should receive the same amount of money as the previous year, which was \$68,000. He said in the metro strike force fund there would be an increase in assessments to participating cities to help cover fuel and maintenance costs of vehicles. Tracy stated that the CDBG fund grant would be approximately \$35,000 less than the previous year. He indicated that in the RDA fund it was anticipated that the tax increment would increase approximately \$24,000 and the EDA fund revenue was estimated to stay fairly flat.

Tracy indicated that revenues in the impact fee fund for 2012/13 were significantly higher because there was a lot of development, including multi-family residential, single family residential and commercial development. He said the proposed budget for 2013/14 was brought back down to more historical levels.

Councilmember Freitag said a lot of single family developments had been approved in west Layton. He asked when they would pay their impact fees.

Tracy said impact fees were paid when the subdivision was approved. He said some of those fees were probably paid in the current year.

Council and Staff discussed the bonds on the Ellison Park property. They discussed the estimated fund balances in the impact fee fund at the end of the 2013/14 fiscal year.

Councilmember Freitag asked what funds were used to pay for the training tower.

Alex indicated that most of the funding came from public safety impact fees; current funds and funds that had been set aside for a future fire station.

Tracy reviewed the Class C road fund budget and indicated that the proposed budget was 1.9 million with \$650,000 being transferred to capital projects and 1.1 million being used for street maintenance.

Councilmember Bouwhuis said when salaries were increased in the special service funds did the money come from that fund.

Tracy said yes.

Tracy reviewed budget proposals for the enterprise funds. He indicated that the main changes were due to capital projects. Tracy said in the water fund, of the \$2,884,525 budgeted for capital project, \$1,082,000 related to the trilateral agreement for the purchase of additional water shares and was the second payment. He said unrestricted fund balance would be used to balance the budget.

Councilmember Freitag asked how many payments there were for the purchase of water shares.

Tracy said this was the final payment.

Councilmember Bouwhuis asked if this would give the City water capabilities through 2040.

Alex said not totally. He explained the reasoning behind the trilateral agreement for the purchase of water shares. Alex indicated that the City was in the process of completing a master water study to determine where the City stood in terms of meeting future water needs.

Councilmember Freitag asked if the master study would look at all aspects of water use including possible improvements to the water system.

James (Woody) Woodward, City Engineer, said the study would look at existing demand and future demand at build out. He said it would also look at different opportunities and evaluate different scenarios.

Tracy indicated that anticipated revenues in the storm sewer fund were declining. He indicated that the main change in the sewer fund was a \$1.50 increase from the North Davis Sewer District. Tracy indicated that the increase would be passed through to residents with a \$1.50 increase to their monthly utility bills. He said the Sewer District approved an additional \$1.50 increase for fund year 2015 and fund year 2016.

Tracy indicated that there was little change in the refuse fund budget.

Councilmember Freitag asked if there was a minimum or maximum fund balance requirement in enterprise funds.

Tracy said no; only in the general fund.

Councilmember Freitag asked if the City had set guidelines for fund balance in enterprise funds.

Alex said there was nothing set by policy, but Staff did monitor the balances.

Tracy said in the pool fund, there was a capital project expense of \$110,000 to re-plaster the small pool. He said there would not be an increase in the transfer from the general fund to cover the capital project; fund balance would be used.

Tracy explained a plan to refurbish a fire engine in the emergency medical fund budget. He indicated that the athletic fund would remain about the same as the current year. Tracy indicated that there would be a transfer from the general fund to the UIA telecom fund as a loan to fund operations.

Councilmember Freitag said at some point he would like to discuss the language of that agreement.

Tracy reviewed proposed projects in the enterprise funds, including plastering of the small pool and refurbishment of engine #4. He said there would be a discussion at a later time about street lighting, and if that went through, there would be some projects in street lighting.

Tracy said projects in the water fund included water line repairs, well rehabilitation, the Cherry Lane project and the master plan study mentioned by Alex. He said \$465,000 of the projects qualified for the use of impact fees.

Alex said the well rehabilitation had been a very positive thing for the City. He said Woody and his team brought in a company last year to rehabilitate the well on Fort Lane, south of the shop. Alex said the results of that had been tremendous. He asked Woody to explain how they rehabilitated a well and the difference in had made in the capacity of the well. Alex said the idea was to systematically refurbish all of the wells.

Woody said it was important to maintain the wells, which were one of the City's most valuable assets. He said there was new technology that chemically treated a well, which would redevelop the well. Woody said the Fort Lane well was rehabilitated into a better condition than when it was originally developed. He said before the rehabilitation, the draw down on the well every time the pump turned on was approximately 100 feet; after the redevelopment process the draw down was only 9 feet. Woody said Staff was looking at putting a larger pump in the well sometime in the future because the capacity was that much better. He said the well was better than new; it functioned better and saved energy. Woody said Staff wanted to go through each of the remaining wells. He explained that the process included putting a very high acidic product in the well that went into the aquifer and opened pores to allow more water to flow into the well.

Councilmember Brown asked if the repairs on Cherry Lane, in front of the elementary school, would interfere with the school year.

Woody said the plan was to do the project in the summer when school was out.

Tracy reviewed proposed projects in the sewer fund and storm sewer fund.

Tracy reviewed general fund operation budgets for the various departments and divisions. He indicated that overall budgets for operations were increased \$126,000. Tracy mentioned the proposed imposition of a credit card fee and the impact that would have in offsetting credit card service charges.

Councilmember Freitag said in reviewing his utility bills, at one time in the past there was a credit card fee, but then it was taken off. He asked if the proposal was to reinstate that fee.

Alex explained that at one time there was a challenge to the legality of a credit card fee and the City dropped the fee. He said another legal case had provided the ability to put the fee back on and that was what Staff was recommending.

Council and Staff discussed imposing the fee prior to the new budget.

Tracy reviewed information in the capital projects fund and the debt service fund. He said he would send the presentation to the drop box so the Council could review the information.

Councilmember Freitag said there were going to be issues brought up at the regular meeting about the proposed development on Oakridge Drive. He asked Gary if he would be prepared to explain what the Council's options were.

Councilmember Bouwhuis suggested that Gary explain the history of the property as well.

Alex said Staff intended to keep the last few minutes of this meeting to update the Council on this issue.

Alex said the Council had asked Staff to look at ways to improve the quality of street lighting throughout the community. He said for the last several months, Staff had been working with Rocky Mountain Power (RMP) as well as various alternatives for the City to be able to do that. Alex said it started with the nice street lighting that was put in place with the construction of the south interchange and Layton Parkway. He said Staff approached RMP about the potential of buying their system, which would provide for a significant savings in the City's rates that were being paid to RMP, as well as give the City an opportunity to change the quality of the lighting that was being put in and the comprehensiveness of the lighting. Alex said there were many places in the City where the street lighting wasn't that good. He said this evening Staff would present various options for purchasing the system outright, through debt, etc; and look at the possibility of imposing a street lighting fee that would give the City the money to actually purchase the system and improve the system. Alex said these were proposals and no decisions had been made at this point. He said Staff felt that there was a lot of positive upside to it; an increasing number of cities were looking at doing this.

Tracy said RMP owned several different types of poles with the main pole being an hps (high pressure sodium) 100 watt street light. He said there were 1,439 of these poles in the City, which was the largest number. Tracy said currently RMP charged \$12.78 per month per pole, which was \$18,390.42 per month. He said the poles owned by the City cost \$2.47 a month for energy only; if the City owned all of the poles it would be an overall monthly savings of \$17,000.

Councilmember Freitag asked if some of the poles were dual use poles; did some have lights that also carried a power line, or were they strictly light poles.

Tracy said most of them were strictly stand alone light poles; some did have other utilities on them, and RMP had contracts with those other utilities. He said RMP wouldn't disclose any of that information to the City, but they did indicate that there would be minimal revenue generated from those contracts.

Council and Staff discussed poles in the City that also carried power lines, which were minimal.

Councilmember Brown said the lights that were going in as part of the new street lighting ordinance were owned by the City.

Alex said that was correct.

There was discussion about the various time frames it took to get lights installed in subdivisions, and those that were required to install the new street lights.

Woody explained that installation of lights would be more uniform once the City hired a contractor to install the lights.

Alex said once a revenue stream was put into place, the City would systematically go back through the community where lights were not put in initially, and put those in. He said there were 11 or 12 subdivisions that fell into the transition period. The City was hesitant to have RMP continue to put in their lights knowing that the City would eventually want to replace them with the new light standards.

Tracy reviewed information about the proposed street lighting fee. He said with approximately 19,500 utility customers, a monthly rate of \$1.50 would generate \$351,000; \$1.75 would generate \$409,000; and \$2.00 would generate \$468,000. Tracy said these were monthly rates; the bi-monthly utility customer would pay twice that amount per billing cycle.

Tracy said Staff looked at bonding to purchase the system from RMP. He said the bond would be for approximately \$735,000 with approximately \$35,000 in issuance costs. Tracy said the rates when the data was collected were about 1.4 %, with an all inclusive rate of 2.96%, or approximately 3%. He said the cost of financing the debt over a five year bond would include \$68,000 in costs and interest; a 10 year scenario jumped to \$835,000, with \$135,000 in costs and interest, with an all inclusive rate 3.21%.

Tracy said looking at this in a budget format, a 10 year debt service plan with a \$2.00 per month fee, which would generate \$468,000, would require an additional \$182,000 from the general fund to balance the budget. He said some of the estimated costs included a minimum of two employees, equipment and supplies, and a savings of approximately \$180,000 in electrical costs. Tracy said in this scenario, Staff would recommend \$240,000 in capital improvements. He said if the investment into capital improvements were reduced, then obviously the amount from the general fund could be reduced. Tracy said however, as Alex explained, the objective of purchasing the system was to improve the system. The debt service under this scenario would be \$81,000 a year for 10 years.

Tracy said with a 5 year bond and \$2.00 fee scenario, the general fund contribution would be \$254,000 and the debt service payment would be \$154,000 a year for five years.

Tracy said in a no debt and \$2.00 fee scenario, the general fund would purchase the street light system for \$700,000, and contribute that amount to the street lighting enterprise fund. He said the general fund would also transfer \$101,000 a year to balance the budget. Tracy said based on current costs of electricity and pole rental from RMP, the general fund would save \$250,000 a year; at \$250,000 a year in savings, the original \$700,000 investment would be recovered in less than 3 years.

Tracy said with no debt and a \$1.75 fee, the general fund would need to contribute an additional \$159,000 a year; with no debt and a \$1.50 fee, the general fund would need to contribute an additional \$218,000 a year.

Councilmember Brown asked if the general fund purchased the system without bonding for the debt, would the general fund be paid back every year.

Alex said yes. In addition to saving the cost on an ongoing basis, the original \$700,000 could be paid back.

Tracy displayed information comparing the five different scenarios. He indicated that the payback periods under the no bonding scenarios would be 2.76 years for a \$2.00 fee; 3.59 years for a \$1.75 fee; and 5.12 years for a \$1.50 fee. Tracy reviewed information about general fund savings over 5, 10 and 15 years. He said the no bond and \$2.00 fee scenario over a 10 year period, provided the most savings to the general fund, including repaying the \$700,000. He said the 5 year bond scenario provided inferior results when compared to the 10 year bond and no bond scenarios.

Tracy said he would forward the presentation to the Council for their review.

MISCELLANEOUS:

Gary Crane, City Attorney, said in visiting his neighborhood last evening, there were signs on the doors indicating that there would be people here tonight to speak in the citizen comment portion of the meeting about the proposed apartment complex on Oakridge Drive. Gary said the property was the Camper property that belonged to Betty Camper, and was rezoned to multi-family back when East Layton was a separate entity. He said there were two sets of 8-plexes built on the property, along with the original home. The balance of the property was an orchard.

Gary said there was a very large Chevron fuel line that ran down the center of the property that had a very large easement. He said the zoning on the property had been set for many years, and apartments were a permitted use in the multi-family zone. Gary said typically, the developer would submit a site plan, and Staff would approve the site plan. He said in this instance, there was some subdivision of the property that needed to occur, which would require Planning Commission and Council approval.

Gary said the applicant had simply filed the application. Individuals from the neighborhood had asked for any preliminary documents that had been submitted. He said there were a lot of things Staff had to look at before this would ever come to the Planning Commission and Council; it was in the very early stages of the process. Gary said Staff had considerable flexibility when looking at site plans, to be able to look at impact on surrounding areas, environmental impacts relative to the pipeline, access, etc.

Gary said the surrounding neighbors had jumped the gun, and put out a flier with the preliminary site plans included on the back of the flier with the phone numbers of the developers. He said the developers had received hundreds of unfriendly calls. Gary said if the residents chose to speak tonight, the issue was not before the Council yet, and this was not the appropriate forum to talk about this issue at this point. He said he would suggest that the Council listen to the comments but he would discourage the Council from becoming engaged in the conversation this evening.

Councilmember Freitag said it would be helpful for Gary to express this information to let the citizens know when they could be involved in the process.

Councilmember Brown suggested that citizens at the meeting who were here to speak to another issue be given an opportunity to speak first.

The meeting suspended at 7:02 p.m. for the regular meeting.

The meeting reconvened at 8:47 p.m.

TRANSPORTATION PLANNING DISCUSSION

Alex introduced Kris Peterson, Region I Director, with UDOT; Patrick Cowley with UDOT; and Mel Bodily with Avenue Consultants, and expressed appreciation for their willingness to meet with the City. He said they would like to talk to the Council about some exciting transportation planning possibilities. Alex said as Council was well aware, the City had been talking for years about ways to improve the traffic flow in the Hill Field Road interchange area and the Antelope Drive interchange area. He said in the legislative session last year there was some money that was made available to do some planning, and UDOT had engaged their team to come up with some ideas about how the traffic flow in those heavily congested areas could be improved. Alex said Staff had asked UDOT to present some of the ideas they have come up with to the Council. He said some of the ideas were very creative and were being used in other areas of the State, and seemed to have great promise.

Alex said one of the things that Avenue Consultants was known for was being very creative, out of the box, thinkers. He said these proposals were not set in stone, but they had been pretty well vetted. The

hope was that UDOT was poised to move fairly quickly given funds that may be available from the State Legislature, to begin making some of these improvements. Alex said it would be important to have a robust public education effort because some of the proposals were counter intuitive to what the typical driver would think. He said before getting to far ahead, Staff wanted the process and ideas to be presented to the Council. Alex said it would be very important for the City to have “buy in” and that UDOT and the City were in lock step with regard to making these changes. He said in other places where that had not been the case, it had not been as productive as it could be. Alex said he was confident that Kris shared the City’s interests, and had the same goals, which was to improve the situation at these interchanges.

Kris Peterson said their intent was to talk with the City and make sure the City was supportive or champions of the idea. He said they would not move forward with something that the City was not supportive of.

Patrick Cowley said they were tasked with looking for ideas to improve the Antelope Drive and Hill Field Road interchange areas. He said this would be a cooperative project between UDOT and Layton City. Mr. Cowley said in the beginning they didn’t know if there would be enough funding, so they focused on areas that could be improved, and phase it so that additional solutions could be done as funding became available. He said they had been working with Avenue Consultants, who had done work in other areas of the State. Mr. Cowley thanked Layton City for getting this started, and for their continued involvement.

Councilmember Freitag asked if the \$7,000,000 that was funded by the State Legislature was for these specific purposes in Layton.

Mr. Cowley said he understood that it was for these specific corridors; the traffic problems at these two intersections were actually away from the interchanges.

Mel Bodily, Avenue Consultants, discussed the evaluation process for getting to this point. He indicated that they gathered data and identified the problems, and projected future traffic and operations out to 2040.

Mr. Bodily explained level of service, which was a way of grading traffic service levels. He discussed issues in the Antelope Drive area including the closeness of the northbound onramp and University Park Boulevard. Mr. Bodily indicated that by 2040, all levels of service in the Antelope Drive interchange area would be at an “F” level.

Mr. Bodily indicated that 40 different alternatives were considered. He discussed the process of screening and eliminating the various alternatives, which included cost considerations. Mr. Bodily displayed diagrams of several alternatives and discussed some of the pros and cons of those alternatives.

Mr. Bodily explained the recommended changes for Antelope Drive. He indicated that it would include three lanes in each direction, with a center turning lane, and there would be dual east and west bound turning lanes. Mr. Bodily indicated that there was a possibility of having a direct access lane at the I-15 north bound ramp going to University Park Boulevard to serve anticipated growth. He said this would be a simple and cost effective solution. He said it would cost approximately \$5,000,000 and it would be easy for the public to understand and accept. Mr. Bodily said the \$5,000,000 did not include a direct access off of the north bound onramp to University Park Boulevard.

Mr. Peterson said it was key to remember that the direct access off of the north bound ramp was a possibility; there was still a lot of work that would have to happen and the onramp was controlled by the Federal Highway Department.

There was discussion about the impact of North Layton Jr. High in that area, and there was discussion

about congestion problems at the Robbins Drive and Antelope Drive intersection.

Mr. Bodily indicated that the proposal would provide dual turn lanes at Robbins Drive. He said there was very little right of way takings with three lanes in each direction. There would be some impact to the shoulder area and bike lanes. Mr. Bodily said this alternative would include all areas of level of service being raised to a “B” and “C,” and most went from an “F” to a “B” in 2040. He said it would improve the travel time through the area from 10 minutes to 4 minutes.

Mr. Cowley said this alternative would mostly take a resurfacing of the street and new striping; there wouldn’t be a huge impact to traffic flow.

Mr. Bodily explained problems with the Hill Field Road area. He said there were very close signalized side streets, which caused traffic to back up through intersections. Mr. Bodily said the current level of service was an “E” or “D” level at Main Street and the I-15 interchange. He said in 2040 all of the intersections would be “E” and “F” levels. Mr. Bodily said it would take almost 20 minutes for eastbound travel time through those intersections in 2040.

Mr. Bodily reviewed some of the 40 alternatives that were considered. He said the recommendation was for a through-turn superstreet corridor, which was a more complicated approach than the Antelope Drive solution. Mr. Bodily explained the movements with a through-turn, which included no left turns at the intersections. He indicated that the interchange would be widened by putting through lanes outside of the bridge columns under the interstate. Mr. Bodily said this would be a cost effective solution at approximately \$8,500,000. He displayed a map that explained the proposed movements.

Mr. Peterson explained that people did not like being forced to use the u-turn movement instead of a left turn at the signal.

Mr. Bodily said with these improvements, in 2040 all intersections would go to “B” or “C” grade levels, and travel time would go from 20 minutes to 4 minutes.

There was discussion about why a SPUI intersection wouldn’t help the bottlenecks at the intersections. A SPUI intersection could be built at a later time when funding was available. The cost of a SPUI interchange would be \$15,000,000 to \$20,000,000.

Mr. Bodily showed videos that explained the movements of the proposed improvements. He discussed the time frame it would take to make the improvements.

Mr. Peterson said after a similar improvement project in Draper, they learned that several improvements could be made. He said it needed to be a combined unified approach to improve traffic. Mr. Peterson explained that he avoided Layton because of the issues on Antelope Drive and Hill Field Road. He said with this new design, there was a significant hesitance from the businesses because of how it would impact their traffic flow. Mr. Peterson said they wanted to make sure the City was comfortable with the changes and that the City would be partners with UDOT in supporting the improvements.

Alex said he had talked with some of the Staff at Draper. He said there was a political conflict with one of their Councilmembers that owned a business in the immediate area that was impacted, which turned negative. Alex said he had driven the movement in Draper, and from a layman’s perspective, he thought the signage could be a little better. He said he was surprised how well it worked. Alex said it would be important to reach out to businesses that would be impacted. He said Staff felt that it was a great innovative solution that would work.

There was discussion about the impact to businesses at the Main Street and Hill Field Road intersection.

Councilmember Freitag said the total estimated cost for the Antelope Drive improvements was

\$5,000,000, and the Hill Field improvements would be \$8,500,000. He asked if UDOT would go back to the Legislature for additional funding.

Mr. Peterson said they would work with the Transportation Commission for additional funding. He said they hadn't yet prioritized the projects because they were waiting for the Transportation Commission to set their priorities in April, and see where these projects fell. Mr. Peterson said with the \$7,500,000 that was available, they could do all of the Antelope Drive improvements. He said he didn't think the controversy would be with the Antelope Drive improvements; the questions would be with Hill Field Road.

Mr. Bodily said they looked at the Draper area after the changes were made. He said traffic was evaluated before and after the changes; the key change was that it did improve travel times. Mr. Bodily said the amount of traffic coming into the area did not change; there had been a concern that businesses would lose business, but the data showed that tax revenue was about the same or had improved slightly. He said it didn't damage businesses.

Woody asked if the Transportation Commission approved both projects, how did UDOT see this proceeding.

Mr. Peterson said they hadn't gotten that far. He said there would be an environmental process where they would look at both locations independently. Mr. Peterson said the easier to build location, Antelope Drive, was a more cumbersome environmental process because they were adding a lane. The tough project to build was simpler from an environmental aspect because they would be improving intersections and not adding a lane. He said they would need to work on a time line, but they would begin the environmental process immediately. Mr. Peterson said almost assuredly the Antelope Drive project would be done next year, and most likely where it was a simple project it could be done early in the season and do the Hill Field Road project later in the season. He said ideally, they wouldn't wait.

Alex asked if there were any concerns moving forward; did the Council want to drive to Draper and see that interchange.

Consensus was that the concept looked good.

Mr. Bodily said he would make the presentations from this evening available to the Council for review.

Mr. Peterson expressed appreciation for the Council's time. He said they didn't need a decision tonight.

The meeting adjourned at 10:45 p.m.

Thieda Wellman, City Recorder